

# JON RENAU

## **Supplier and Procurement Standards**

Jon Renau Collection, Inc. (hereafter “Jon Renau”) upholds rigorous standards for its suppliers to ensure that the finished products are of the highest quality and efficiency.

Jon Renau’s supplier selection is based on the suppliers’ ability to reduce cost, lead times, freight, and eliminate non-value added processes in supply chain. Selected suppliers are expected to obey laws that provide a safe and healthy work place for their employees and protect our environment. Suppliers are also expected to bring new ideas and opportunities to grow partnerships with Jon Renau.

### **Jon Renau Code of Supplier Conduct (CSC)**

This Code of Supplier Conduct (CSC) applies to all suppliers that produce goods for Jon Renau or any of its subsidiaries, divisions, affiliates or agents.

While Jon Renau recognizes that there are different legal and cultural environments in which each supplier operates throughout the world, this Code of Supplier Conduct sets forth the basic requirements that all factories must meet in order to do business with Jon Renau.

This Code of Supplier Conduct is based on internationally accepted labor standards, including the International Labor Organization’s (ILO) core conventions, the Universal Declaration of Human Rights, the California Transparency in Supply Chains Act, Social Accountability International (SAI), and the Ethical Trading Initiatives (ETI). The Code of Supplier Conduct provides the foundation for Jon Renau’s ongoing evaluation of a supplier's employment practices and environmental compliance.

### **I. Compliance with Laws**

Suppliers that produce goods for Jon Renau shall operate in full compliance with the applicable laws of their respective countries, including those relating to labor, worker health and safety, environment, customs, tax and duties.

### **II. Environment**

Suppliers shall comply with all applicable environmental laws and regulations. Where such requirements might be less stringent than Jon Renau’s own, suppliers are strongly encouraged to meet the standards outlined below:

- The supplier has an environmental management system (EMS)
- The supplier has an environmental emergency plan (EEP) that includes procedures for notifying local community authorities in case of accidental discharge or release or any other environmental emergency

# JON RENAU

- The supplier stores hazardous and combustible materials in secure and ventilated areas and disposes of them in a safe and legal manner
- The vendor must adhere to all local environmental regulations, including obtaining necessary permits and licenses for their operations
- The vendor is required to obtain and maintain all environmental permits applicable to their activities, and promptly report any changes or updates to those permits
- The vendor must implement pollution prevention measures to minimize environmental impact. This includes waste reduction, proper disposal of hazardous materials, and the use of environmentally friendly practices
- The vendor shall undergo regular environmental compliance audits to ensure adherence to environmental requirements

## **III. Labor**

### **A. Child Labor**

Suppliers shall employ only workers who meet the applicable minimum legal age requirement or are at least 15 years of age, whichever is greater. Suppliers must also comply with all other applicable child labor laws:

- Every worker employed by the supplier is at least 15 years of age and meets the applicable minimum legal age requirement. If the minimum legal age is higher than 15 years of age under local law, the higher age applies
- The supplier complies with all applicable child labor laws, including those related to hiring, wages, hours worked, overtime and working conditions
- The supplier encourages and allows eligible workers, especially younger workers, to attend night classes and participate in work-study programs and other government-sponsored educational programs
- The supplier maintains official documentation for every worker that verifies the worker's date of birth. In those countries where official documents are not available to confirm exact date of birth, the supplier confirms age using an appropriate and reliable assessment method

### **B. Discrimination**

Suppliers shall employ workers on the basis of their ability to do the job, not on the basis of their personal characteristics or beliefs:

- The supplier hires, employs, promotes, terminates, and provides access to training and retirement to workers without regard to race, color, gender, nationality, religion, age, maternity, marital status, indigenous status, social origin, disability, sexual orientation, membership in workers' organizations including unions, or political affiliation
- The supplier shall not interfere with workers who wish to lawfully and peacefully associate, organize or bargain collectively. The decision whether or not to do so should be made solely by the workers

# JON RENAU

## **C. Forced Labor and Human Trafficking**

Suppliers shall not use any indentured or forced labor. The supplier must not use involuntary labor of any kind, including prison labor, debt bondage or forced labor by governments.

Suppliers shall not traffic in persons or use any form of slave, forced, bonded, indentured, or prison labor. This includes the transportation, harboring, recruitment, transfer, or receipt of persons by means of threat, force, coercion, abduction, fraud, or payments to any person having control over another person for the purpose of exploitation.

All work must be voluntary and workers shall be free to leave work or terminate their employment with reasonable notice. Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment. Suppliers shall ensure that third-party agencies providing workers are compliant with the provisions of the Code and the laws of the sending and receiving countries, whichever is more stringent in its protection of workers.

Suppliers shall ensure that contracts for both direct and contract workers clearly convey the conditions of employment in a language understood by the worker. Where workers are required to pay a fee in connection with obtaining employment, suppliers shall be responsible for payment of all fees and expenses in excess of the amount of one month of the worker's anticipated net wages. Such fees and expenses include, but are not limited to, expenses associated with recruitment, processing, or placement of both direct and contract workers.

## **D. Humane Treatment**

Suppliers shall treat all workers with respect and dignity. Suppliers shall not use corporal punishment or any other form of physical or psychological coercion.

- The supplier does not engage in or permit physical acts to punish or coerce workers
- The supplier does not engage in or permit psychological coercion or any other form of non-physical abuse, including threats of violence, sexual harassment, screaming or other verbal abuse

## **E. Wages & Benefits and Working Hours**

Suppliers shall pay wages and overtime premiums in compliance with all applicable laws. Workers shall be paid at least the minimum legal wage or a wage that meets local industry standards, whichever is greater. Suppliers are encouraged to provide wages and benefits that are sufficient to cover workers' basic needs and some discretionary income.

- Workers are paid at least the minimum legal wage or the local industry standard, whichever is greater

# JON RENAU

- The supplier pays overtime and any incentive (or piece) rates that meet all legal requirements or the local industry standard, whichever is greater. Hourly wage rates for overtime must be higher than the rates for the regular work shift
- The supplier provides paid annual leave and holidays as required by law or which meet the local industry standard, whichever is greater
- For each pay period, the supplier provides workers an understandable wage statement which includes days worked, wage or piece rate earned per day, hours of overtime at each specified rate, bonuses, allowances and legal or contractual deductions
- The supplier should not modify or terminate workers' contracts for the sole purpose of avoiding the provision of benefits

## **IV. Occupational Health and Safety (OSHA)**

Suppliers are obligated to fully comply with all local occupational safety and health laws and regulations relevant to their operations.

- The vendor must place a strong emphasis on safety and health while performing work for all their contracting parties.
- The vendor shall comply with all applicable safety and health laws and regulations in the countries in which they operate. This includes providing a safe working environment for all their employees.
- The vendor is required to provide a certification of compliance with occupational safety and health regulations of their local countries, municipal laws, codes, and regulations aimed at ensuring the safety and health of employees to Jon Renau. This helps ensure a commitment to maintaining a safe work environment by the vendor.

## **V. Business Ethics**

Suppliers must be committed to the highest standards of ethical conduct when dealing with workers, suppliers, and customers:

- **Business Integrity**  
Corruption, extortion, and embezzlement, in any form, are strictly prohibited. Suppliers shall not violate the Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, any international anti-corruption conventions, and applicable anti-corruption laws and regulations of the countries in which they operate, and shall not engage in corruption, extortion, or embezzlement in any form. Suppliers shall not offer or accept bribes or other means to obtain an undue or improper advantage. Suppliers must uphold fair business standards in advertising, sales, and competition
- **Disclosure of Information**

# JON RENAU

Suppliers must accurately record and disclose information regarding their business activities, structure, financial situation, and performance in accordance with applicable laws and regulations and prevailing industry practices

- **Protection of Intellectual Property**  
Suppliers must respect intellectual property rights and safeguard customer information; transfer of technology and know-how must be done in a manner that protects intellectual property rights

## **VI. Compliance with Local Customs, Taxes, and Duties**

The supplier must adhere to all local customs regulations, ensuring accurate declaration and documentation of shipped goods to comply with import tariffs and fees of local countries.

- Customs duties applicable to the destination country must be thoroughly understood and factored into the pricing of goods.
- Goods must be declared accurately to avoid penalties or delays, and the supplier should stay informed about any changes in customs duty rates.
- If applicable, the supplier should provide Free Trade Agreement (FTA) certificates of origin to benefit from preferential tariff rates.
- The supplier is responsible for staying updated on any changes in local customs regulations, taxes, and duties that may impact the importation process.

## **VII. Non-engagement of Sub-tier Suppliers from Sanctioned Countries:**

The supplier must acknowledge and agree that it shall not engage, directly or indirectly, any sub-tier suppliers or entities originating from countries subjected to sanctions by the government of the United States of America. This requirement of the Supplier's conduct prohibits the procurement of goods, services, or materials from any entity listed under US government sanctions. The Supplier shall ensure compliance with this requirement throughout the duration of the engagement with Jon Renau and shall promptly notify Jon Renau of any potential violations or concerns in this regard. Failure to adhere to this provision may result in contract termination or other legal actions as deemed appropriate by Jon Renau.

## **Monitoring, Enforcement & Compliance Management**

As a condition of doing business with Jon Renau, suppliers must comply with this Code of Supplier Conduct. If Jon Renau determines that the supplier has violated this Code of Supplier Conduct, Jon Renau may at its discretion either terminate its business relationship or require the supplier to implement a corrective action plan deemed appropriate and approved by Jon Renau. If corrective action is advised but not taken, Jon Renau may suspend placement of future orders and may terminate the supplier's current production of Jon Renau's products.

# JON RENAU

Jon Renau strongly encourages suppliers to define and implement a policy for social accountability and to adopt or establish a management system to ensure that the requirements of the Code of Supplier Conduct can be met in a consistent way.

Jon Renau suppliers must allow Jon Renau or its agents unrestricted access to their facilities and to all relevant records at all times, whether or not notice is provided in advance, unless stipulated otherwise in a separate contract.

Jon Renau may periodically engage in third-party verification of its supply chains to evaluate its suppliers' compliance or conduct independent, unannounced audits of its suppliers to evaluate their compliance to Jon Renau's Code of Supplier Conduct. Jon Renau provides its employees who have direct responsibility for supply chain management on-going training on this Code of Supplier Conduct.